

SECRET - EYES ONLY

11 June 1958

MEMORANDUM FOR THE RECORD

SUBJECT: Resume of OCB Luncheon Meeting, 11 June 1958

PRESENT: Mr. Allen, Mr. Cutler, Mr. Dulles, Mr. Gray,
Mr. Harr, Mr. Herter, Mr. Scribner, Mr. Smith,
Mr. Sprague, Mr. Strauss, Mr. Staats

1. Protection of Nicaro Nickel Plant

Mr. Gray reported that Mr. Floete, Administrator of the General Services Administration, was much concerned about the potential danger to the Nicaro nickel plant in Cuba which might occur as a result of the disturbances in that country. Floete had been particularly worried about the safety of personnel and the preservation of equipment as well as the possible longer range effect on nickel production. Mr. Staats pointed out that an inter-agency working group had recently been established under NSC 163/1, and that this matter should appropriately be referred to it.

2. Student Exchanges with Latin America

Mr. Allen said that the possibility of increasing the student exchange program for Latin America had taken an unexpected tack. He said that certain Senators have suggested increasing the funds from \$20 million to \$30 million, to allow a greatly expanded program. These Senators are suggesting, however, that the additional \$10 million be obtained by taking \$5 million and \$3 million from the regular USIA and State budgets respectively, with only the additional \$2 million to be separately appropriated.

3. Counteraction to Possible Soviet Announcement

[REDACTED]

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[REDACTED] the Soviet ship "Vityaz," which has been operating in an area adjacent to the U. S. Pacific testing grounds, has run into unusual radioactive conditions. It is considered possible that the Soviets may attempt to make public a statement which would tend

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to discredit the U.S. in this connection, and which could excite the same kind of public reaction that resulted from the "Fortunate Dragon" incident. It was pointed out that it is highly doubtful that the ship encountered any dangerous radioactivity on its decks, although it is probable that the surrounding atmosphere did contain an unusually high amount of radioactive debris.

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4. Credits to Indonesia

Mr. Scribner reminded the group that at its meeting of December 4 it had decided that the proposed Export-Import Bank loan to Indonesia, to cover the purchase of Lockheed aircraft, should be deferred until the situation in that country is clarified. (This was one of several credits provided for in the Special Report on Indonesia for the NSC.) It was agreed that the situation did not warrant any further action at this time.

5. Air Force Statement Regarding Lunar Probes

The group discussed the unfortunate statement made the day before by the Air Force Director of Research and Development, in which he had said that the Air Force is planning to orbit or to hit the moon in mid-summer or early fall. Mr. Sprague reported that this statement had been the cause of considerable concern in the Defense Department, which had led to the Defense denial in today's papers. He said that the incident was still under active consideration and further action might be forthcoming. (A statement was made later today by Secretary Douglas.)

6. UN Report on Radiation

Mr. Strauss referred once more to the UN report on the

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effects of radiation, with particular reference to damage that might be done around the world by a slanted interpretation of certain aspects of this report. It was mentioned that Prime Minister Macmillan had expressed the great concern of the British government, during the course of his current conversations here. It was agreed that efforts should be continued to have the essential elements of the report put in proper perspective in layman's language so as to offset any possible adverse effects resulting from its official publication. These efforts will be made in coordination with the British and Canadians.

7. Operation PLOWSHARE

The Board noted that the newspapers of 10 June 1958 carried the agreed press release on Operation PLOWSHARE, the project to excavate a harbor in Alaska by nuclear means.

8. TV Station in Iran

Mr. Herter commented on a report which had come to him to the effect that the U. S. Army had sent to Tehran the components of a TV station, for the purpose of establishing a regular program for the American military personnel stationed in Iran. He deplored this move, pointing out that it could have a most unfortunate effect on the Iranians from the point of view of lavish expenditures on the part of the U. S. (there being only slightly over 400 U. S. military personnel in the entire country), and the fact that it has been viewed by private Iranian interests as unfair competition. Mr. Sprague entirely concurred in this view and said that Defense would see to it that the project was halted. He said that the Army would be directed to try to dispose of the technical equipment to Iranian buyers and that perhaps limited time might be bought on a local station.

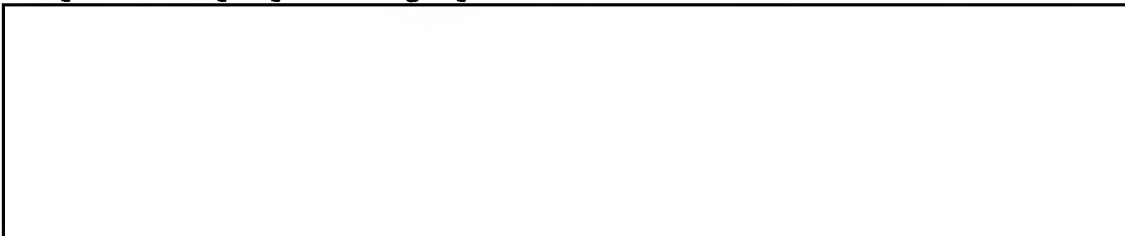
9. International Science Exhibits for Students

Mr. Harr referred to a somewhat nebulous idea that he said had been generated in the AEC, having to do with the establishment of certain international exhibits of scientific interest to be held for the benefit of students. The discussion was inconclusive, but brought out certain disadvantages including the difficulty and expense of carrying out such a program.

10. African Students

Mr. Herter reported on a conversation he had had with Dr. Martin D. Jenkins, President of Morgan State College in Baltimore. This institution has enrolled students from 17 African countries. Dr. Jenkins had felt that it might be in the U. S. interest were he to make a trip to Africa in his capacity as an educator, and had offered his services for use in whatever way the Department of State might suggest. Mr. Herter said that he was much impressed with Dr. Jenkins. He also mentioned as another highly qualified American Negro who would be willing to undertake such a mission, Mr. Frederic Morrow, Administrative Officer at the White House.

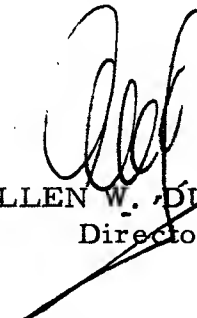
The Board agreed that this suggestion would appear to have a good deal of merit. Mr. Herter undertook to have the State Department prepare biographies on Jenkins and Morrow. These



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11. People-to-People Program

It was reported that the Central Committee of the People-to-People Program will probably go out of existence in the near future, primarily due to lack of financial support. It was pointed out that the individual People-to-People committees would not be affected in any great degree. It was agreed that a statement should be issued that the work of these individual committees will continue.


ALLEN W. DULLES
Director

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